

MEMORANDUM

To: IBM; Vermont Department of Public Service; City of Burlington Electric Department; Green Mountain Power Corporation

CC: EEU Contract Administrator; Efficiency Vermont

From: Susan M. Hudson, Clerk of the Board

Re: Comments on Clarification to August 14 Customer Credit Order

Date: September 17, 2007

On August 14, 2007, the Public Service Board ("Board") issued an Order approving a petition by International Business Machines, Inc. ("IBM") to alter certain terms of the Energy Efficiency Utility ("EEU") Customer Credit Program. The changes to the program include allowing a customer enrolled in the Customer Credit Program to access 90% of the funds paid into the EEU Fund by that customer, rather than the current 70%. Additionally, customers in the Customer Credit Program are now allowed to use EEU funds for projects that have a minimum 12-month payback period, rather than the previous minimum payback period of 18 months.

The EEU Contract Administrator has raised three implementation issues concerning the Board's August 14 Order: (1) as of what date will customers enrolled in the Customer Credit Program be allowed to access 90% of the funds rather than 70% of the funds; (2) whether the 90% of the funds eligible to be accessed by customers is net of taxes;¹ and (3) will retrofit projects "in the pipeline" as of August 14, 2007, be allowed to meet a 12-month payback rather than the 18-month payback.

Any comments on these issues should be filed with the Board by September 28, 2007.

¹The energy efficiency charge paid by all electric customers, including those in the Customer Credit Program, includes two taxes totaling one percent, the gross revenue tax (30 V.S.A. § 22) and the fuel gross receipts or "weatherization" tax (33 V.S.A. § 2503).